"**§ 2350c. Cooperative** military airlift agreements: allied countries".

SEC. 932. EXTENSION AND CODIFICATION OF AUTHORITY PROVIDED THE SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

(a) EXTENSION AND CODIFICATION.—(1) Chapter 138 of title 10, United States Code (as amended by section 931), is further amended by adding at the end the following new section:

"§ 2350e. NATO Airborne Warning and Control System (AWACS) program: authority of Secretary of Defense

"(a) AUTHORITY UNDER AWACS PROGRAM.—The Secretary of Defense, in carrying out an AWACS memorandum of understanding, may do the following:

"(1) Waive reimbursement for the cost of the following functions performed by personnel other than personnel employed in the United States Air Force Airborne Warning and Control System (AWACS) program office:

"(A) Auditing.

"(B) Quality assurance.

"(C) Codification.

"(D) Inspection.

"(E) Contract administration.

"(F) Acceptance testing.

"(G) Certification services.

"(H) Planning, programming, and management services.

"(2) Waive any surcharge for administrative services otherwise chargeable.

"(8) In connection with that Program, assume contingent liability for—

"(A) program losses resulting from the gross negligence of any contracting officer of the United States;

"(B) identifiable taxes, customs duties, and other charges levied within the United States on the program; and

"(C) the United States share of the unfunded termination liability.

"(b) CONTRACT AUTHORITY LIMITATION.—Authority under this section to enter into contracts shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

"(c) DEFINITION.—In this section, the term 'AWACS memorandum of understanding' means—

"(1) the Multilateral Memorandum of

Understanding Between the North Atlantic Treaty Organization (NATO) Ministers of Defence on the NATO E-3A Cooperative Programme.

signed by the Secretary of Defense on December 6, 1978:

"(2) the Memorandum of Understanding for Operations and Support of the NATO Airborne Early Warning and Control Force, signed by the United States Ambassador to NATO on September 26, 1984; and

"(3) any other follow-on support agreement for the NATO E-3A Cooperative Programme.

"(d) EXPIRATION.—The authority provided by this section expires on September 30, 1991.".